



DEPARTMENT OF COMMERCE

International Trade Administration

[C-475-819]

Certain Pasta from Italy: Final Results of Countervailing Duty Administrative Review; 2021

AGENCY: Enforcement and Compliance, International Trade Administration, Department of
Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable
subsidies were provided to certain producers and exporters of certain pasta (pasta) from Italy
during the period of review (POR) January 1, 2021, through December 31, 2021.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Nicholas Czajkowski, AD/CVD Operations,
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1395.

SUPPLEMENTARY INFORMATION:

Background

On July 18, 2023, Commerce published the *Preliminary Results* of this administrative
review in the *Federal Register*.¹ This review covers one mandatory respondent, Pastificio
Gentile S.r.l. (Gentile) and one non-selected company, Sgambaro SpA. (Sgambaro).

From October 19 through October 24, 2023, we conducted verification of Gentile and the
Government of Italy's questionnaire responses. On November 2, 2023, we released the

¹ See *Certain Pasta from Italy: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2021*, 88 FR 45886 (July 18, 2023) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

verification reports,² and, on November 6, 2023, we invited parties to comment on the *Preliminary Results*.³ For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.⁴

Scope of the Order⁵

The product covered by this *Order* is pasta from Italy. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by the interested parties in case and rebuttal briefs are addressed in the Issues and Decision Memorandum. A list of topics discussed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and CVD Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

² See Memorandum, "Verification of the Questionnaire Responses of Pastificio Gentile S.r.l.," dated November 2, 2023, and Memorandum, "Verification of the Questionnaire Responses of the Government of Italy," dated November 2, 2023.

³ See Commerce's Letter, "Briefing Schedule," dated November 6, 2023.

⁴ See Memorandum, "Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Certain Pasta from Italy; 2021," concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁵ See *Notice of Countervailing Duty Order and Amended Final Affirmative Countervailing Duty Determination: Certain Pasta from Italy*, 61 FR 38544 (July 24, 1996) (*Order*).

Changes Since the *Preliminary Results*

Based on comments received from interested parties and issues originating from verification, we are applying total adverse facts available (AFA) to Gentile for the final results of this review. For a discussion of the issues, *see* the Issues and Decision Memorandum.

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁶ For a full description of the methodology underlying all of Commerce's conclusions, including our reliance, on facts otherwise available, including AFA, pursuant to sections 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Final Results of the Administrative Review

As a result of this review, we determine that the following estimated countervailable subsidy rates exist for the period January 1, 2021, through December 31, 2021:

Company	Subsidy Rate (percent <i>ad valorem</i>)
Pastificio Gentile S.R.L.	88.67 percent
Sgambaro SpA.	1.18 percent

Final Rate for Non-Selected Company Under Review

There is one company, Sgambaro, for which a review was requested and not rescinded, and which was not selected as a mandatory respondent or found to be cross-owned with the mandatory respondent. The statute and Commerce's regulations do not directly address the establishment of rates to be applied to companies not selected for individual examination where Commerce limits its examination in an administrative review pursuant to section 777A(e)(2) of the Act. However, Commerce normally determines the rates for non-selected companies in

⁶ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

reviews in a manner that is consistent with section 705(c)(5) of the Act, which provides the basis for calculating all-others rate in an investigation.

Section 705(c)(5)(A)(i) of the Act instructs Commerce, as a general rule, to calculate an all-others rate equal to the weighted average of the countervailable subsidy rates established for exporters and/or producers individually examined, excluding any rates that are zero, de minimis, or based entirely on facts available. In this review, the final rate for Gentile, the sole mandatory respondent, was based entirely on facts available. Accordingly, under “any reasonable method,” we have selected the rate calculated in the most recently completed administrative review as the rate to be applied for Sgambaro, *see* the Issues and Decision Memorandum at Comment 3.

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct U.S. Customs and Border Protection (CBP) to collect cash deposits of estimated countervailing duties in the amounts shown above for the above-listed companies with regard to shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of these final results of review. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Assessment Rates

In accordance with section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties at the applicable *ad valorem* rates on all appropriate entries covered by this review. Commerce intends to issue assessment instructions to CBP no earlier than 35 days after publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Disclosure

Commerce intends to disclose our AFA calculations performed for the final results of review within five days after the date of publication of this notice in the *Federal Register*, in accordance with 19 CFR 351.224(b)

Administrative Protective Order

This notice also serves as a final reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

The final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: January 11, 2024.

Abdelali Elouaradia,
*Deputy Assistant Secretary
for Enforcement and Compliance.*

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Subsidies Valuation
- V. Use of Facts Otherwise Available and Adverse Inferences
- VI. Discussion of the Issues
 - Comment 1: Whether Commerce Should Apply an Adverse Facts Available (AFA) Rate to Gentile
 - Comment 2: Whether Commerce Erred in Finding the IRAP Program to be Countervailable and its Calculation of the Program
 - Comment 3: Calculation of the “All-Others” Rate
- VII. Recommendation

[FR Doc. 2024-00915 Filed: 1/17/2024 8:45 am; Publication Date: 1/18/2024]